	CENTRAL INTELLIGENCE AGENCY		
	CLASSIFICATION SECRET/		25
	INFORMATION REPORT	REPORT NO.	25
· .	PER PROPERTY OF THE PROPERTY O	CD NO.	
COUNTRY	Hungary	DATE DISTR.	25 July 1952
SUBJECT	The Sztalinyáros Steel Combine CIRCULATE	NO. OF PAGES	i
DATE OF (INFO.		NO. OF ENCLS.	
PLACE ACQUIRED	BY CABLE	SUPPLEMENT TO REPORT NO.	25X1
OF THE UNITED ST	NTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS	LUATED INFORMATIO	
· · · · ·			

- 1. The Hungarian industrial center at Sztalinváros (Dunapentele N36) is a Communist showpiece and a bad investement; it will probably never run smoothly. The construction is still in progress, but it is hampered by shortages and mismanagement.
- 2. The steel mill is still under construction and the blast furnaces have not yet been fired. Despite the original plan to use ore from the Donetz Basin, it is doubtful that the Russians will export ore to Hungary. The steel mill will probably use scrap iron from the USSR and from West Germany.
- 3. The electrical plant is almost finished; it will derive electric power by burning petroleum residue from Rumania.

CLASSIFICATION	SECRET			 \Box
graduate and the second			, 1	

25X1

STATE # X NAVY	x	NSRB		DISTRI	BUTION				
ARMY # X AIR	х	FBI	ORR	Ev x					